

NEAL BATSON
ALSTON & BIRD LLP
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
Telephone: (404) 881-7000
Facsimile: (404) 881-7777

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: ENRON CORP., et al., Debtors.	§	Chapter 11
	§	
	§	Case No. 01-16034 (AJG)
	§	
	§	Jointly Administered
	§	
	§	

**AFFIDAVIT OF DISINTERESTEDNESS BY NEAL BATSON
PURSUANT TO 11 U.S.C. § 101(14)**

Personally appeared before the undersigned officer, duly authorized to administer oaths in the State of Georgia, Neal Batson, who after being duly sworn, deposes and states that to the best of his knowledge, information and belief:

1. I am a partner in the law firm of Alston & Bird LLP (“A&B”). A&B maintains an office at 1201 West Peachtree Street, Atlanta, Georgia 30309-3424, and offices in Washington, D.C., Charlotte, North Carolina, Raleigh, North Carolina and New York, New York. I submit this Affidavit in support of the application of the United States Trustee seeking Court approval of my appointment as Examiner in the Chapter 11 cases (collectively, the “Case”) of Enron Corp. (“Enron”) and its affiliated debtors (collectively, the “Debtors”).

2. I am not an insider of the Debtors. I do not hold directly any claim, debt or equity security of the Debtors. I do not have knowledge as to whether any mutual fund or 401(k) plan in which I am an investor may hold debt or equity securities of the Debtors.

3. I am not and have not been an investment banker for any outstanding security of the Debtors.

4. I have not been, within three years of the date of the filing of the Debtors' respective petitions, an investment banker for a security of the Debtors, or an attorney for such an investment banker in connection with the offer, sale or issuance of a security of the Debtors.

5. I am not and was not, within two years from the date of the filing of the Debtors' petitions, a director, officer or employee of the Debtors or of an investment banker as specified in subparagraph (B) or (C) of 11 U.S.C. § 101(14).

6. I do not have an interest materially adverse to the interest of the estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors or an investment banker as specified in subparagraph (B) or (C) of 11 U.S.C. § 101(14), or for any other reason.

7. I will become a salaried partner of A&B. To the extent I am awarded any bonus by A&B, it will be payable only out of revenues received by me as Examiner and A&B as attorneys for the Examiner for work in connection with the examination.

8. I expect that the substantial portion of my practice will involve my work as Examiner.

9. In addition, I have agreed that the following procedures will be implemented

in connection with my duties as Examiner:

A. I do not currently represent Enron and any of its affiliates, partners, or subsidiaries and I will not undertake the representation of Enron and related entities during this engagement. Moreover, I will not undertake the representation of any party in connection with the Enron Bankruptcy Proceedings.

B. To the extent I have any current representations of members of the UCC, I have agreed that I will withdraw from any such representations, in a manner consistent with applicable law and professional ethics. To the extent any of the following representations exist, I will withdraw, in a manner consistent with applicable law and ethical requirements, from and will refrain from undertaking the representation of any creditor or other party in interest in the Case, including any creditor's or party in interest's subsidiary, affiliate, or partner (collectively, "Interested Parties"), of which I have knowledge. As additional Interested Parties are disclosed to me, I will withdraw in a manner consistent with applicable law and ethical requirements from and will refrain from undertaking the representation of such Interested Parties of which I have knowledge.

C. To the extent disclosed to me as of the date of the execution of this Affidavit, I agree to withdraw from any current representations and to refrain from undertaking any future

representations, of certain additional entities that may have significant roles in the creations, structure, funding, or operation of the Enron entities known as the "Special Purpose Vehicles" or "Special Purpose Entities."

D. Other than for purposes related to my duties as Examiner and only to the extent necessary to communicate with A&B professionals, paraprofessionals and staff assigned to the Case, I will not communicate any confidential information concerning my work as Examiner to attorneys, paraprofessionals or staff of A&B.

E. I will otherwise comply with applicable law and professional ethics, take steps to assure the protection of confidential information, and take steps to permit the Examiner's work to proceed in an unimpeded fashion.

10. To the extent that any of A&B's relationships to the Debtors, the creditors or other parties in interest in the Case, are relevant to the determination of my status as a disinterested person, I am providing information in this Affidavit relative to those relationships and contacts. A&B, its partners, attorneys and counsel, may have represented in the past and may currently represent or in the future represent, creditors of the Debtors and parties in interest in the Case in matters unrelated to the Case.

11. A&B, its partners, attorneys and counsel are currently representing certain parties in connection with the Case as follows:

(i) *Verizon Wireless* ("Verizon"). A&B represents Verizon in

connection with a prepetition unsecured claim relative to the supply of cellular telephone service to Enron;

- (ii) *Genuity Solutions, Inc. ("Genuity")*. A&B represents Genuity in connection with a prepetition unsecured claim relative to the supply of energy services to one of Genuity's locations in Massachusetts;
- (iii) *Municipal Gas Authority of Georgia ("Municipal Gas")*. A&B represents Municipal Gas on issues related to a gas sales contract;
- (iv) *Springs Industries, Inc. ("Springs")*. A&B represents Springs in connection with certain claims that may be asserted by, or against, Springs regarding the supply of power to Springs; and
- (v) *West Deutsche LandesBank ("WDL")*. A&B is representing WDL in connection with Congressional and executive branch issues arising in connection with the Case and has registered the representation pursuant to the pertinent provisions of the Lobbying Disclosure Act.

However, I have been advised that A&B will, in a manner consistent with applicable law and professional ethics, withdraw from the representation of the referenced parties in respect of the Case. Moreover, the undersigned has not represented and will not represent said parties in connection with the Case.

12. The connections of A&B with the parties set forth on the lists of committees, creditors and parties in interest of the Debtors as prepared by Weil, Gotshal & Manges LLP, as counsel to the Debtors and provided to the Examiner by the Office of

the United States Trustee on April 22, 2002 (collectively, the "Creditors List") have been reviewed (and the results of subsequent reviews will be the subject of supplemental affidavits, if required), and the results of that review are set forth below.

13. Prior A&B Representation of the Debtors:

- (i) A&B represented Enron in connection with trademark litigation matters in the mid-1990s. A&B's total fees were approximately \$328.00.
- (ii) During the years 1999, 2000 and 2001, A&B represented Enron in connection with certain employee benefits and executive compensation taxation matters. The total fees billed were approximately \$129,000.00. The matters were closed in April, 2001.
- (iii) A&B represented Enron Capital & Trade Resources Corp. with respect to an appeal arising out of employment-related litigation in the Superior Court of Fulton County, Georgia in the mid to late 1990's. The matter, concluded in June 1999, is no longer active and Alston & Bird does not currently represent Enron Trade Capital & Trade Resources Corp. The total fees for the matter were approximately \$141,565.10.

14. A&B is not a creditor of the Debtors.

15. A&B's other connections to the Debtors, its creditors and parties in interest and their respective attorneys are set forth on Exhibit A hereto.

16. In addition to the foregoing, some of A&B's approximately six hundred (600) attorneys may have had some personal or professional relationships with attorneys, accountants, employees, officers, creditors, equity security holders or other parties in interest of the Debtors. The undersigned does not have knowledge of any such relationship that is material nor does he know of any way in which all such relationships could be discovered. I am advised that to the extent that it is determined by A&B that any additional matters should be disclosed, A&B will disclose those matters to the Court by supplemental affidavit.

17. To ensure that the Examiner will remain disinterested throughout the term of this appointment, the Examiner represents that A&B also agrees to the following:

A. A&B will not represent any client in any matter in connection with the Enron case;

B. During the term of its examination of any of the following entities, A&B will not represent (i) any members of the UCC as set forth on Exhibit B, except as disclosed to the Court in connection with the Examiner's application to employ counsel, or (ii) any entity (including affiliates, subsidiaries or partners) to the extent disclosed to A&B as of the date of the execution of this affidavit as having participated in the Enron Special Purpose Vehicles, except for certain of the entities otherwise listed on Exhibit A that A&B may represent in matters wholly unrelated to the Case; and

C. I have been advised that attorneys, paraprofessionals and

staff of A&B will not communicate to me confidential information with respect to A&B's continuing representation of parties identified in the Creditors List (and all subsidiaries, affiliates, and partners of such parties known to be such) with respect to unrelated matters, and will comply with applicable law and professional ethics.

18. As required by Section 504 of the Bankruptcy Code, neither A&B nor I have agreed to share any compensation or reimbursement received in connection with the Case with another person except pursuant to the partnership agreement of A&B.

19. I am a member in good standing of the State Bars of Georgia and Colorado and I have had substantial experience and practice before the United States Bankruptcy Courts.

20. I have agreed to serve as Examiner in the Case at my standard hourly rates and other usual charges, which rates and other charges are subject to periodic adjustments to reflect economic and other conditions. Any request for payment from the estates of the Debtors for said charges will be subject to approval of the Court.

FURTHER AFFIANT SAYETH NOT.

/s/ Neal Batson
NEAL BATSON
Georgia Bar No. 042200

Sworn to and subscribed before me
this 22nd day of May 2002.

/s/ Debra S. Frazier
NOTARY PUBLIC

My Commission Expires:

5/28/03